TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION No 2234379
BY BAYER AKTIENGESELLSCHAFT
TO REGISTER A TRADE MARK IN CLASS 5

AND

IN THE MATTER OF OPPOSITION THERETO
UNDER No 51527 BY GLAXO GROUP LTD

TRADE MARKS ACT 1994

IN THE MATTER OF Application No 2234379
by Bayer Aktiengesellschaft to register a trade mark
in Class 5

AND

IN THE MATTER OF Opposition thereto
under No 51527 by Glaxo Group Ltd

DECISION

1. On 31 May 2000, Bayer Aktiengesellschaft applied to register the trade mark CILENSA in Class 5 in respect of:

> *"Pharmaceutical and veterinary preparations and substances; but not including pharmaceutical preparations for the treatment of influenza; diagnostics adapted for medical use"*.

2. On 9 October 2000, Glaxo Group Ltd filed Notice of Opposition. The grounds of opposition are as follows:

(i) **Under section 5(2)(b) of the Trade Marks 1994 -** in relation to this ground, the opponents submit that they are the proprietors of the trade mark registration for RELENZA in Class 5 (No 1572036) being a mark that is visually and orally similar to the applied for mark. Furthermore the goods for which the registration is sought are identical or similar to those for which the earlier trade mark of the opponents is protected, so that there exists a likelihood of confusion on the part of the public which includes a likelihood of association.

(ii) **Under section 5(4)(a) of the Trade Marks Act 1994 -** in that as a result of the goodwill and reputation that the opponents have acquired in the UK, use of the trade mark in question is liable to be prevented by virtue of any rule of law protecting an unregistered trade mark or other sign used in the course of trade. The use by the applicant of the trade mark CILENSA for the goods in question will result in members of the public being deceived and confused into thinking that the applicants' goods are those of the opponents or are in some way connected. This will result in damage to the goodwill of the opponents.

3. The applicants filed a Counterstatement in which the grounds of opposition are denied

4. Both sides seek an award of costs.

5. Both parties filed evidence in these proceedings and in accordance with Trade Marks Registry practice, I reviewed the case and advised the parties that, in my view, it was not necessary for a hearing to be held in order that the matter be decided. Neither side has since requested a hearing nor filed written submissions.

6. Acting on behalf of the Registrar and after a careful study of the papers, I give this decision.

7. Section 5(2)(b) reads as follows:

> *"5.-(2) A trade mark shall not be registered if because-*
>
> *(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or*
>
> *(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,*
>
> *there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark".*

8. In determining the question under section 5(2), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v. Adidas AG* [2000] E.T.M.R. 723.

It is clear from these cases that:-

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v. Puma AG* page 224;

(b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG* page 224, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* page 84, paragraph 27.

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG* page 224;

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v. Puma AG* page 224;

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* page 7, paragraph 17;

(f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v. Puma AG* page 8, paragraph 24;

(g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG* page 224;

(h) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v. Adidas AG* page 732, paragraph 41;

(i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* page 9 paragraph 29.

9. The evidence in this case is as follows. The opponents filed a witness statement by Mr James A Thomas, Vice President and Trade Mark Counsel for GlaxoSmithKline. The following are the main points to emerge from the witness statement:

- His company's pharmaceutical preparation for the treatment of influenza was launched in the UK under the mark RELENZA on 6 September 1999. He exhibits (JAT 2) samples of the packaging and patient information leaflet for RELENZA. Prior to the launch of RELENZA, press releases relating to the submission of applications for regulatory approval were circulated in the UK from March 1998. Exhibit JAT 3 is a selection of press releases from the Company relating to RELENZA. A World Health Organisation factsheet on influenza is exhibited at JAT 4 showing that influenza cannot be distinguished on clinical grounds from other acute respiratory infections.

- Since 1999, sales of products under the RELENZA trade mark have taken place in large and rapidly increasing quantities in a number of countries around the world. Worldwide sales from 1 April 1999 to 31 March 2000 were £25 million. Mr Thomas also refers to exhibit JAT 5 a printout taken from CompuMark's "Pharmaceuticals in Use" database on 22 May 2001, which confirms that sales of RELENZA in the United Kingdom are "High".

- Mr Thomas refers to exhibits JAT 6 and JAT 7 being a selection of press cuttings and a list of headlines from UK newspapers in which RELENZA featured. This evidence, Mr Thomas submits, highlights the extensive use made of RELENZA and shows the substantial recognition and goodwill the trade mark has achieved both in the UK and Worldwide.

- Shortly after the launch of RELENZA in the UK, the National Institute for Clinical Excellence ("NICE") issued a guidance note, discouraging doctors from prescribing RELENZA on the National Health Service for the 1999/2000 season. This guidance note is said to have provoked widespread debate and media coverage on both RELENZA and access to medicines in the UK at that time. This is reflected in the extensive press coverage that RELENZA has received in the UK. In November 2000, NICE partially reversed their earlier decision and issued a further guidance note stating that RELENZA should be used for the treatment of at-risk adults when influenza is circulating in the Community.

- In the light of this press coverage, Mr Thomas advises that it has been unnecessary for the opponents to spend large sums of money on advertising and promotional materials. Since the launch of the product in 1999, around £400,000 has been spent on advertising in the UK. Exhibit JAT 8 shows examples of the advertising materials which have been used in the UK. Also, approximately £30,000 has been spent by the opponents on establishing a website aimed at health care professionals. Exhibit JAT 9 gives examples of pages from the RELENZA website and JAT 10 extracts from the websites of The Lancet and the British Medical Journal.

10. Mr Thomas goes on to say that a search of the UK Trade Marks register has revealed only two marks with a - LENZA suffix in Class 5 viz COLENZA and TACHILENZA . It is suggested that the COLENZA mark is not in use in the UK and that action is being taken in respect of the application for TACHILENZA.

11. Mr Thomas says that the applicants' exclusion from their specification of "pharmaceutical preparations for the treatment of influenza" does not allay the opponents' concerns as influenza is a respiratory illness that can result in a wide number of complications including bronchitis and pneumonia. He also offers a number of submissions on the issue of similarity of marks, likelihood of confusion and the dangers that might arise if the applicants were to use their mark for a pharmaceutical product which is of a different quality or has harmful contra-indications.

12. The applicants filed a witness statement by Angus Muirhead, who is Head of Marketing at Bayer Plc. The witness statements consists primarily of opinion evidence to the effect that RELENZA and CILENSA are not confusingly similar. Mr Muirhead also states that the applicants have excluded “pharmaceutical preparations for the treatment of influenza” and has no intention to use the marks in relation to such goods. The applicants’ primary intention is to use the mark for goods relating to the treatment of cancer. Mr Muirhead goes on to say that drugs for the treatment of influenza and drugs for the treatment of cancer are inherently different and also, that as the opponents’ product is only available on prescription, there is no risk of a medical practitioner confusing RELENZA in relation to the treatment of influenza and CILENSA for drugs for the treatment of cancer.

13. The opponents filed evidence in reply which consisted of a witness statement by the same James A Thomas. In response to the applicants’ assertions that the two trade marks are not

confusable, Mr Thomas highlights the possible consequences of confusion in relation to pharmaceutical products. I will deal with this evidence below.

Distinctive character of the opponents' mark

14. Mr Muirhead has submitted on behalf of the applicants that RELENZA suggests "RELief from influENZA". In support of this submission he notes that the opponents' specification is for 'pharmaceutical preparations for the treatment of influenza'. It may well be that the opponents had the characteristics of the goods in mind in choosing their mark. That may in itself simply mean that it is a clever mark. The point is really what the average consumer will make of the mark. I bear in mind in this respect that consumers normally take marks at face value and do not search for meanings (the point from Sabel v Puma at (c) above). Even if consumers did discern an allusive character that is not to say that the totality would not be seen as an invented word.

15. In this particular case the opponents also claim use. The period of use prior to the relevant date is relatively short - that is to say from launch on 6 September 1999 to the application filing date of 31 May 2000. Furthermore the opponents' evidence does not escape criticism as significant parts of it contain material that is after the relevant date (notably but not exclusively the file of press cuttings at JAT6). Nevertheless there are a number of circumstances that lead me to think that the opponents' mark can lay claim to a significant reputation as at 31 May 2000. The evidence as a whole supports the claim that RELENZA attracted particular attention because it was the first in a new class of drugs known as neuraminidase inhibitors; there is evidence of significant pre launch publicity (JAT 7); and the National Institute for Clinical Excellence guidance discouraging doctors from prescribing RELENZA on the NHS for the 1999/2000 season generated considerable publicity for the opponents in the early part of 1999 (JAT 7) and undoubtedly contributed to public awareness of the mark.

16. Taking all the above factors into account I am satisfied that the mark can be considered as having a highly distinctive character.

Comparison of goods

The comparison is as follows

Applicants' specification	**Opponents' specification**
Pharmaceutical and veterinary preparations and substances; but not including pharmaceutical preparations for the treatment of influenza; diagnostics adapted for medical use.	Pharmaceutical preparations for the treatment of influenza.

17. The applicants suggest that the exclusion to their specification removes identical goods. The opponents point out that the exclusion is a narrow one and that influenza cannot be distinguished on clinical grounds from other acute respiratory infections (which, I infer them to mean, are not caught by the exclusion). There is force to the opponents' submissions. As

matters stand the marks could be used to treat closely related, albeit not identical, illnesses. I, therefore, consider the goods to be similar. The applicants' primary intention is said to involve use of the mark as a cancer treatment product but no limitation of the specification has been made to reflect this claim.

Comparison of marks

18. Both sides have offered evidence and submissions relating to other marks on the Register or in the marketplace. The opponents directed their enquiries to - LENZA suffix marks. The applicants conducted a wider search for -ENZA/-ENSA suffix marks. In doing so both sides were approaching the matter in a manner which they considered best suited their own position. State of the register evidence is unlikely to be persuasive - see Mr Justice Jacob's remarks in British Sugar Plc v James Robertson & Sons Ltd [1996] RPC 296 and MADAME [1966] RPC 541. Of rather greater relevance is the evidence from the applicants that COLDENZA, a flu relief treatment, is widely available in retail outlets. But apart from suggesting that the opponents do not have a monopoly in -ENZA suffix marks it is of limited assistance in the comparison I have to undertake.

19. The opponents submit that the S in the applicants' mark will be pronounced in the same way as a Z and hence the two marks will have some phonetic similarity and be differentiated only by reference to the prefix elements. The applicants, not surprisingly, take a contrary view and suggest that the prefixes are strong and distinctive and that the letters S and Z are pronounced differently.

20. I turn now to my own view of the marks bearing in mind the guidance from the ECJ authorities. I begin with a visual comparison. The marks are of equal length and somewhat similar structure. From a visual standpoint the S as opposed to a Z in the suffix gives a different appearance but the beginnings of marks have long been held to be of particular importance (TRIPCASTROID 42 RPC 264). I regard the combination of different openings and penultimate letters as clearly favouring the applicants' position.

21. I am less convinced that consumers will necessarily pronounce the S of CILENSA as a soft sound rather than a hard Z sound. There is no evidence as to what happens or is likely to happen in practice. As CILENSA is (I assume) an invented word it is not easy to determine how the mark will be pronounced by approximation to other words. I consider that both pronunciations offered by the parties are possible but I regard the opponents' submission as being the rather more likely position. Nevertheless the beginnings of the respective marks are likely to be stressed and to sound quite different. That is not necessarily conclusive as to the overall position on aural similarity and it might be said that the words have a similar rhythm. Overall, however, I am not persuaded that aural similarity can be said to exist.

22. Conceptually both words are invented. There may be some recognition that -ENZA alludes to influenza but I do not place any reliance on this being the case. If the marks are taken as having no obvious meaning then I cannot see why the average consumer will think there is any conceptual similarity. More likely the position is that visual and aural similarities play a rather more important part in marks of this kind than any conceptual considerations.

Likelihood of confusion

23. Mr Thomas has filed a witness statement by way of reply evidence which makes a number of points bearing on the circumstances in which pharmaceutical products are prescribed and dispensed. His points can be summarised as follows:

- long hours and stress levels experienced by medical professionals result in pharmaceutical products being dispensed in complex environments which can be conducive to error (various articles on the subject are exhibited at JAT 1-4)

- telephoned instructions may lead to particular problems (the S/Z point)

- doctors' handwriting is notoriously bad. Examples of resultant confusion are illustrated in JAT 5. An extreme example which resulted in the death of a patient involved the marks ISORDIL/PLENDIL (JAT 6). Other examples mentioned in the articles are NARCAN/NORCURON, PITRESSIN/PITOCIN, AMINODARONE/AMRINONE, DEMEROL/ROXANOL, COUMADIN/AVANDIA and NORVASC/NAVANE. Other articles dealing with the problem are exhibited (JAT 7). It is said that the dangers are so great that computer programmes are being written to overcome the problem and some doctors are using voice dictation or taking handwriting lessons (further articles on the subject are exhibited at JAT 8).

24. The question of whether there is a need for greater differentiation between trade marks in the pharmaceutical field has been considered in a number of cases (see for instance Cases 0-414-01 and 0-532-01). Consistent with the approach adopted by the Hearing Officers in these previous Registry decisions I consider that I must apply the Trade Marks Act 1994 to the proceedings before me. The test I have to consider is whether, having regard to similarities in the marks and goods, there is a likelihood of confusion. I am not aware of any authority under the current law that is binding on me which suggests that either a higher or lower threshold applies in assessing likelihood of confusion where pharmaceutical marks are concerned.

25. I must nevertheless take account of all relevant surrounding circumstances bearing on the trade in such goods and the nature and characteristics of the average consumer. Thus in the circumstances of this case I bear in mind that the goods may be available over the counter or by prescription (taking a notional view of the matter) ; that the average consumer may be medical professionals and/or the public at large; that handwritten prescriptions may be involved; that the public may be ordering/purchasing goods in the environment of a busy chemists shop. I also consider that, notwithstanding that a customer may have an ailment at the time, the average person is unlikely to be so careless in health issues that he or she will act in other than a reasonably circumspect and observant fashion.

26. This is not to say that the points made by Mr Thomas should be lightly dismissed. Clearly there can be and have been serious, and in some cases fatal, consequences of errors arising from failures in the prescribing/dispensing process. Nevertheless I do not think it is suggested that handwritten prescriptions or other 'risk factors' in the system generally result in problems. It is reasonable to assume that the overwhelming majority of prescriptions and purchases

whether over the counter or through a medical professional result in the correct product being supplied. Whilst errors may be serious when they occur they are not typical of what happens. The position seems to me to be that the test in trade mark law terms should have regard to the normal range of circumstances found in the trade rather than seek to compensate for irregular or exceptional occurrences. I also bear in mind the guidance from the Lloyd Schuhfabrik case ((b) above) which requires me to assume that the average consumer is reasonably well informed and reasonably circumspect and observant. With those considerations in mind I regard many of Mr Thomas's examples of marks that have been confused to be at the extreme of what is to be expected. Even if that is overstating the position what they seem to show at the highest is the possibility of confusion arising rather than the likelihood of confusion - an important distinction that was highlighted in the decision of Mr M G Clarke QC sitting as he then was as the Appointed Person in Case 0-430-99.

27. Taking all the above factors into account I have come to the clear view that the marks at issue even if used on closely similar goods are not likely to be confused. The opposition fails under Section 5(2)(b).

28. The remaining ground of opposition is under Section 5(4)(a) of the Act. The opponents do not specifically refer to the law of passing off but I consider that it is implicit from the wording of their grounds that this is what they intend. To achieve success under this head they would need to establish the three elements of goodwill, misrepresentation and damage. In the circumstances of this case I do not think they are in a position to succeed under Section 5(4)(a) having failed under Section 5(2)(b). It is clear that their use is of the mark as registered and in relation to the goods of the registration. Hence no different issues arise and even accepting goodwill in the mark RELENZA the opponents will be unable to establish misrepresentation or damage. This ground also fails.

29. The applicants have been successful and are entitled to a contribution towards their costs. I order the opponents to pay them the sum of £1000. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 10TH day of May 2002

M REYNOLDS
For the Registrar
the Comptroller-General